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SUMMARY  
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[1](#)1. (C) Panama's four-day Carnival celebration may have turned most of Panama City into a ghost town as Panamanians headed to the interior, the beaches, or Transismica, one of the city's main thoroughfares, to celebrate, but politics did not stop. The Panama Post was able to button hole one Panamenista insider, perhaps the only working politico left in town, as well as to stay on top of a few other stories that are percolating along. Our headlines for this edition:

-- Former President Mireya Moscoso's aide predicts more talk of constitutional assembly (constituyente) in near future by Panamenista candidates;  
-- Panamenista presidential nomination candidates share views in La Prensa interview series;  
-- Democratic Change (CD) President and presidential candidate Ricardo Martinelli ties on his "chucks" and heads out to carnival;  
-- Patriotic Union (UP) President Guillermo "Billy" Ford presidential campaign posters appear; and  
-- Governing Revolutionary Democratic Party (PRD) begins "congresillos (little congresses)."

End summary.

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"Expect to Hear More About Constituyente"  
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[1](#)2. (C) "You can expect to hear more about proposals for a constitutional assembly (constituyente," former President Mireya Moscoso's aide Eduardo Quiros told POLCOUNS on February 1, "beginning in March after the (governing Revolutionary Democratic Party) PRD holds its internal elections." Quiros explained that Panamenista presidential nomination contender Marco Ameglio's call for a constituyente (REFTEL B) was not an isolated, desperate attempt for a trailing politician to grab headlines in the hopes of accelerating his campaign. "There is broad support for constitutional reform. The constitution we have today is basically a dictator's constitution," referring to former Panamanian strong man -- and father of current President Martin Torrijos -- Omar Torrijos. Politically, the current constitution not only favored large parties, but it favored the PRD. "Nobody understands the distribution of deputies between uninominal districts and plurinominal districts,"

respectively single representative and multiple representative districts. Continuing, Quiros said a constituyente would be needed to rebuild the judiciary and legislature, promote greater decentralization, and rein in excessive presidential power. "By putting forward a constituyente, Panamenistas can stand for change and put the PRD on the defensive protecting their dictator's constitution," Quiros added. He said that he believed that traditional parties would dominate a constituyente and that non-PRD parties would be better represented than in the National Assembly, "reflecting more truly the political distribution of Panamanians." "The Bolivarians and other leftists are not prepared for constituyente here in Panama. We have an opportunity to do this democratically and should do it now."

13. (C) Comment: The Panama Post was surprised by Quiros' spirited arguments in favor of a constituyente. This proposal definitely has deeper roots inside the Panamenista party than just one candidate. Quiros estimated, probably correctly, that voter interest in a constituyente would be overshadowed by economic concerns. That said though, by supporting a constituyente, the center-right Panamenista party can position itself as supporting dramatic change and renewal in Panamanian politics

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La Prensa Interviews Help Frame Panamenista Candidates  
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14. (SBU) In three interviews with the Panama City broad sheet newspaper of record, "La Prensa," Panamenista presidential nomination contenders Juan Carlos Varela, Marco Ameglio, and Alberto Vallarino shared their views in articles that were published on February 2, 3, and 4 respectively. The Panama Post provides the following thumbnails of these interviews:

-- Juan Carlos Varela: In its February 2 article, La Prensa described Varela as "optimistic about his victory." The paper reported that Varela described himself as "an apostle of service" in contrast to seeing politics as "an economic trampoline for personal benefit." Answering a question regarding how much he intended to spend on his campaign, Varela offered, "There is only one bank account where everything that enters and leaves is recorded. When the (electoral process) is over it will be made public." Varela's proposals include: reducing the electoral subsidy that "in some cases merely supports an employee roll of the fallen" providing sinecure jobs in a party's administration to those who lost elections; improving the minimum wage; reducing taxes on "the professional classes;" strengthening local government through "municipal decentralization;" and closing down neighborhoods where families live in "sub-human" conditions and that act as "schools for criminals." Also, Varela said he would "strengthen the police presence in conflict areas" and call for a "public contracting process to design and build a metropolitan transportation system." Summarizing his aims, Varela said, "To establish an efficient government that spends less and invests more. Where advertising expenditures are reduced. A strong government and clean hands." Varela, age 44, is the owner of Varela Hermanos, Panama's largest liquor producer. He graduated from the Georgia Institute of Technology.

--Marco Ameglio: In its February 3 article, La Prensa highlighted the Ameglio's bill boards emblazoned with his slogan, "Charging ahead (Voy de frente)!" Responding to the interviewers question regarding how it was that a former deputy like Ameglio did not enjoy any support from any of the Panamenista Party's current 16 deputies, Ameglio said, "My career is not a means to drag along the personal aspirations of spent deputies, mayors or precinct representatives." On a possible constituyente, Ameglio said, "We need to establish the bases of a new republic. . . . Neither the Executive, Legislature, nor Judiciary are capable of self-correcting themselves. It is the only way. Of course there is risk for the constituted power (existing government structure), but

power lies with the people (the constituting power)."  
Ameglio called for more police units, more training, and for action on transportation reform and an increase in the education budget. Ameglio, refusing to state specifically how much he would spend on the campaign, asserted he would spend one-fourth of what his challengers would; "People support me because they believe in my proposals, not because I contracted them, nor because I bought them, nor because I offered to pay for their campaigns." Ameglio is 46 years old, is the vice-president of his families dairy business Sociedad de Alimentos de Panama (Bonlac), and enjoys off-road motorcycle racing. The son of Italian immigrants, he is married to Xenia Carles de Ameglio, and they have two sons, Marco and Roberto.

-- Alberto Vallarino: In its February 4 article, La Prensa noted that Vallarino had drawn the support of 10 Panamenista National Assembly deputies. "I have been a Panamenista all my life. I come from a Panamenista family. My aunt Ana Matilde Linares as the first wife of Dr. Arnulfo Arias (the party's founder)." He also notes that his grandmother and her son were wounded on May 10, 1951 during the violent overthrow of Arias. Asked directly if he had former President Mosoco's support, Vallarino answered, "I have the support of thousands and thousands of Panamenistas. Responding to a question whether the Panamenista party would cede leadership of the opposition, Vallarino said, "I do not see why that would be necessary. The Panamenista Party is the largest in the opposition." "I have proposed holding interparty elections to choose the opposition's candidate." Vallarino said his top three priorities would be: "Restoring tranquillity for the public, guaranteeing effective and efficient law and order, and creating dignified, well-paid jobs. And correcting the social and economic distortions in such a way that we achieve as a country the eradication of extreme poverty and significantly reduce poverty." Vallarino was born April 2, 1951, and both of his parents have passed away. He holds a bachelors in engineering from Cornell where he also received an MBA. Married to Adriana Lewis, he has three children.

15. (C) Comment: At least for the Panamenista presidential contenders, "It's the economy, stupid," including: addressing economic concerns such as the rising cost of living and unemployment, creating more opportunity for economic opportunity and improving law and order to combat rising crime, which is seen as primarily an economically driven phenomenon. Both Varela and Vallarino are striving to portray themselves as seasoned businessmen who have created jobs and opportunity. Whereas Vallarino repeatedly returns to his and his family's close ties to the party's earliest days and its founder, Varela strives to position himself as a new kind of Panamenista who is a public servant with clean hands. Ameglio, the most populist of the three and trailing badly, rejects Vallarino and Varela as political dilettantes and interlopers and portrays himself as the sole Panamenista toiling away in the trenches for the "people's" interests.

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Martinelli Ties on "Chucks," Hits Carnival  
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16. (SBU) Having decided to stick with the same slogan as his last presidential campaign -- "Walking in the shoes of the people (Caminando en los zapatos del pueblo)" -- Democratic Change (CD) President and presidential candidate Ricardo Martinelli had to choose which shoes to wear. Well, in the run up to Panama's 4-day carnival bacchanalia, Martinelli chose navy blue, Converse Chuck Taylor All-Stars, affectionately know as "chucks." Martinelli's public choice of these cheap canvas and rubber basketball shoes -- first marketed by Converse in 1917, not worn for years with basketball players, but now favored by rockers, hip-hop musicians, and youth -- was a clear attempt to try to curry favor with what Martinelli has termed the "generation of change." Martinelli then hit the streets across the country -- "chucks" strapped one -- to join the crowds "carnivaling (carnevaleando)." Newspaper and television pictures showed

Martinelli getting hosed down by the "soaker (mojadero)," pressing the flesh with carnival goers, and mugging with various carnival princesses.

¶7. (SBU) Comment: Given that Panama only votes once every five years, an enormous quantity of new first-time voters will be entering the political market place in May 2009, between 400,000 and 500,000 voters between the ages of 18 and ¶23. Expect not only Martinelli, but also other presidential aspirants to expend significant political capital to tap into this vote rich demographic. The Panama Post does not know whether Martinelli went with high-tops or low-tops (estimated value, according to Google, of USD 42 and 22 respectively), but will inform our readers once we know.

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Ford Campaign Posters Appear  
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¶7. (SBU) During Carnival, Patriotic Union (UP) posters emblazoned with party president Guillermo "Billy" Ford's face and declaring, "The force of honesty (La fuerza de la honestidad)," began appearing in Panama City and along Panamanian by-ways. The media took these adds as evidence of Ford's intentions to run for president, frequently noting that Ford has never denied being interested in moving into the Palace of the Herons (Palacio de las Garzas) Presidential Palace. Several media outlets reported Ford's comment that he did not want to be anybody's "spare tire." Asked separately if he would run (again) as Moral Vanguard of the People (VMP) presidential candidate Guillermo Endara's vice presidential candidate, Ford responded that he could not step down from his presidential candidacy without "conversations," presumably with UP faithful and prospective allies.

¶8. (C) Comment: Sure, Ford would love to be president, but he also told the Panama Post that he would prefer to steer UP into an alliance with the Panamenista ticket. Given his acknowledgment that the Panamenistas would be loathe to take second billing and Ford's desire neither to be anybody's "spare tire" nor to run for a job he had already held (vice president), UP's advertising campaign appears to be more aimed at maintaining the UP profile than promoting Ford as a viable presidential candidate. Indeed, the ads do not say anything about a presidential run nor even mention Ford's name, though his face is known to all Panamanians. The adds, printed in UP's signature orange, display the party name in large block letters though. The Panama Post assesses that Ford's game remains securing UP the best bargaining position for an eventual opposition alliance.

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PRD Congresillos Begin  
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¶9. (SBU) On February 9, beginning in the Panama City exurb Capiro, the governing Revolutionary Democratic Party (PRD) will hold its first of 21 congresillos. Each congresillo or little congress, pulls together the PRD delegates that were elected on January 12 for a party-defined geographic area to select representatives to represent that area on the party's National Directive Committee (CDN). Delegates from the 8-2 and 8-3 electoral circuits will meet on February 9. The following is a schedule of the up-coming congresillos

Date:	Area:	Delegates:
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Feb 9	8-2/8-3	119
Feb 10	8-4	54
Feb 12	8-8	241
Feb 13	8-9	122
Feb 14	8-10	226
Feb 15	8-7	282
Feb 16	Herrera	181
Feb 16	Cocle	263
Feb 17	Veraguas	401
Feb 19	8-6	360

Feb 21	Colon	271
Feb 23	Bocas del Toro	144
Feb 24	Chiriqui I	348
Feb 24	Chiriqui II	254
Feb 26	8-1	222
Feb 29	8-5	183
Mar 1	Los Santos	167
Mar 2	Darien	65
Mar 8	Embera Wounnan	18
Mar 8	Kuna Yala	71
Mar 8	Ngobe Bugle	208

(Note: Numbers refer to an electoral circuit. Names refer to provinces, except for the last three areas that "comarcas," or indigenous people's reservations.)

¶10. (C) Comment: As the congresillos get under way, the PRD now gets down to brass tacks and the arm twisting has already begun. While President Martin Torrijos, First VP and FM Samuel Lewis, and Second VP and Minister of the Presidency Ruben Arosemena were all outside Panama, candidates for PRD president Ernesto "El Toro" Perez Balladares (former President of the republic) and Balbina Herrera (current Minister of Housing) took advantage of the carnival holidays to hit the stump. Behind the scenes, both El Toro and Balbina and their acolytes were striving to line up support in the congresillos. Both El Toro and Balbina have said that they will attend each congresillo. Ending the day before the PRD convention, congresillos will provide insight into the likely outcome and relative strengths of the various PRD players. The Panama Post will be watching these congresillos closely and will keep its readers informed.

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